

Productivity Commission  
Canberra ACT

Dear Mr. Harris,

**RE: NATIONAL DISABILITY INSURANCE SCHEME COSTS STUDY**

Thank you for this opportunity to contribute to the Productivity Commission's study on the National Insurance Scheme (NDIS) costs. The independent Office of the Public Guardian (OPG) was established under the *Guardianship of Adults Act*, which came into effect on 28 July 2016. The new legislation also provided for the statutory appointment of an independent Public Guardian, bringing the Northern Territory into alignment with other Australian jurisdictions. The OPG provides guardianship for approximately 512 represented adults between its two offices in Alice Springs and Darwin. The Northern Territory Civil and Administrative Tribunal considers 20 to 30 new guardianship applications per month. The Northern Territory is the only jurisdiction in Australia in which the Public Guardian can be appointed financial management authority. The OPG currently manages the finances of approximately 397 represented adults.

**The NT context**

The geographic and demographic context of the Northern Territory (NT) presents unique challenges to the health and community services sectors. The NT covers 1,349,120 square kilometres, however has a population of only 244,300 residents. While most Territorians live in regional centers, a significant number live in remote and very remote areas. Due to the sparse population, volatile climate and rough terrain, infrastructure in most of the Territory is limited. The NT's small population also makes identifying and retaining skilled workers difficult as capable individuals are promoted quickly or relocate to other capital cities.

The high cost of living in the NT is an additional challenge for those in the low-socioeconomic circumstances. The NT has the highest percentage of residents living in public housing, and overcrowded houses are an ongoing problem in most NT communities. While the NT has the smallest number of adults under guardianship amongst the states and territories, represented persons make up the largest proportion of the population of all the states and territories. Of those presently under guardianship, approximately 57 per cent are Aboriginal or Torres Strait Islander, many of whom speak English as a second or third language, and a significant number live in remote communities. Given these factors, delivering services in the NT, including in Darwin and other regional centres, is costly, and in many cases requires specialised expertise. Consequently, I recommend the NDIS consider redesignating Darwin as 'remote' locations

and all other centres in the NT as 'very remote' to more accurately reflect the realities of the costs and challenges of the NDIS transition.

Transition to the NDIS for supported accommodation services in Darwin and the East Arnhem region commenced on 1 January 2017. The Public Guardian is sole or joint guardian for 64 of the 104 individuals transitioning in Darwin, and 15 of the people transitioning in East Arnhem. A representative from the OPG has attended all the planning meetings involving these clients. Following are observations made by the OPG I believe are valuable to highlight for the purposes of this study of NDIS.

## **Planning Process**

### **Resourcing**

The OPG has been in negotiations with the NDIS to address concerns about the adequacy of resources within the plans. Clients living in remote areas are particularly at risk of being disadvantaged if funding is not provided to cover the cost of transportation to and from, and accommodation in, regional centres to facilitate access to appropriate services not available in their own communities. Many clients in the NT require more time and tailored processes to develop plans due to their remoteness and requirement for translation support. Phone interviews have not been effective, and many participants were not given advance notice about the participant access forms, causing confusion among participants, families and health care professionals.

### **Structure of the planning interviews**

OPG staff have found the interview tools to be designed for high functioning individuals and professionals, and less accessible for people with cognitive impairment. The complexity of the matters under discussion in planning meetings creates significant challenges for interpreters. NDIS staff have suggested interpretation is going well, however interpreters and clients are expressing concerns about the process. I recommend training be offered to interpreters in order to prepare them for the kind of language used during planning discussions and specific cultural competence training to NDIA staff.

Inadequate emphasis has been placed on the value of having participants and their families or interpreters attend the planning meetings.. As a result of their non-participation, key information has not captured, negatively affecting the resulting support packages.

### **Design of the questions**

The design of the interview questions sometimes serves as a barrier to reaching understanding, rather than encouraging participants to clearly communicate their needs and goals. Questions like, "can you walk 1km independently", or "is there someone outside your home that you can call in case of emergency", are not eliciting the desired information and when clarification was sought, NDIS staff were often unable to provide an explanation as to

the purpose of the question (eg. is the purpose of the question to understand the individual's physical mobility or degree of independence etc). This has been further complicated by issues like thin or non-existent markets and non-traditional family structures, which change the context of the discussion. While the interview approaches are suitable for participants in the urban context, more consideration needs to be given for Aboriginal people living in remote communities. Greater emphasis needs to be placed on cultural competence and training for NDIS staff.

### **Consistency and capacity of NDIS planners**

The capacity and approach of the NDIS planners has varied from one meeting to the next. The criteria and process have not been well understood by participants and their supports, and as such, inconsistency amongst the planners has been a challenge. The lack of appropriate cultural competence has also resulted in some Aboriginal and Torres Strait Islander participants being disadvantaged due to being poorly understood and unable to access information. OPG staff have also identified an inconsistency in the messaging in the planning meetings and dialogue at the NT and national levels. This has affected the ability of the OPG and other service providers to support participants and their families.

## **Readiness**

### **Meaningful participation by families and carers**

Generally, the OPG has found that participants, their families and service providers are not well prepared to understand and interact with the new scheme. Many participants in both remote areas and in Darwin do not know how the proposed system will differ from the previous. This is in part due to the participant-led training not taking place in the NT and existing networks not being effectively linked into to facilitate communication of relevant information. The Territory community forums held in 2014 provided broad information to communities about the NDIS, however were inadequate in meeting the specific information needs of the community in preparation for the transition. In one remote community, planning meetings were conducted only one week before the NDIS engagement team was scheduled to begin the education sessions. It is recommended resources be allocated for culturally-appropriate pre-transition preparation initiatives to ensure families and carers are able to provide the necessary support to participants throughout the planning process.

### **Sector capacity**

Whilst the NT does have some very high quality and dedicated service providers their capacity has been hampered by the limited block funding model utilised in the NT previously. The NT does not have the comprehensive and competitive market and, in many cases, lacks the capacity to provide the required services within the NDIS environment. As previously discussed, the NT has significant workforce issues. We have been advised the workforce will need triple, however it is unclear where the capacity to fill the necessary

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positions will come from, and how the workforce will be retained in such a transient setting. It will take a significant amount of time for existing service providers to adapt to the new scheme and for new service providers to enter the market. We understand that there is funding available for sector development, however these plans will need to be unpacked and clearly communicated to service providers and participants to ensure they meet real needs.

### **Participants in remote areas**

Sending Allied Health professionals to remote communities on a regular basis is expensive however, is the preferred option for many clients and their families over travelling into a regional centre. Despite the cost of this approach, there is a risk of perceived underspending in some communities due to the thin market rather than lack of participant need. Provisions will be needed to acknowledge that underspending is not a reflection of the management of the package, but rather a system issue due to the lack of service providers in remote communities.

The absence of affordable housing in Darwin, regional centres and remote communities presents an additional challenge to planning. Funding for housing modifications is complex in cases of public housing, and overcrowding adds an additional complexity. Further dialogue is needed as to how the housing situation of many participants in the NT, particularly remote communities can be addressed under the NDIS scheme. It is anticipated community connectors will play a key role in supporting participants in remote communities. I welcome this innovative aspect of the NDIS transition in the NT. While similar models in the past have experienced significant issues, I am hopeful that with the appropriate support and management, community connectors will support remote Territorians to obtain increased benefit from the scheme.

### **Conclusion**

Many of the issues with the NDIS transition in the NT are shared across all jurisdictions. Application of the scheme to diverse populations, sector capacity and ensuring adequate resourcing are issues being grappled with across the country. Rather than echo these common concerns, the points raised above are aimed at highlighting the unique considerations of the process in the NT. I appreciate the openness of the NDIA to continue this dialogue, and commitment to ongoing improvement of the implementation process.

Yours sincerely,